

7 May 1976

REVISION NO. 3 - Chart and Description of Accounts, Voluntary Investment Plan

SUBJECT : Revised Pages 7 through 10, 11, 16 and 50

1. The Chart and Description of Accounts, Voluntary Investment Plan is revised as follows:


Revised Accounts:

113 - Investments - Growth Fund
114 - Investments - Income Fund
221 - Accounts Payable
476 - Miscellaneous Income or Expense

2. The revised accounts incorporate new terminology applicable to the costs and liability for administrative service rendered by the Agency to the Plan.

3. This revision notice should be filed with the Chart and Description of Accounts, Voluntary Investment Plan for reference purposes. The revised pages 7-10, 11, 16 and 50 should be filed and the comparable old pages should be destroyed.

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Thomas B. Yale
Director of Finance

Attachments

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113 - Investments - Growth Fund

This account represents the book value of units currently outstanding based upon the cost of shares purchased and the shares received as dividend income or capital gains distribution based upon bid price used by fund for issue. A Fund portfolio record will be maintained for each Mutual Fund which will reflect the shares purchased, price per share, cumulative total of shares owned, the dollar amount of each transaction and the dollar balance. The official record of units outstanding which will be used for computing current unit values for the purpose of issuing new units and for computing the book value of units to be withdrawn or transferred will be maintained in conjunction with Account 335.

Debit this account with:

(a) Amounts, representing payroll deductions and cash contributions less amounts retained to liquidate equities being withdrawn or transferred and amounts retained for accounts payable to the Agency for services rendered, disbursed for purchase of Mutual Fund shares (contra to account 102).

(b) Cash value of member Growth Fund equities liquidated for withdrawal or transfer to Income Fund when proceeds for liquidation are obtained by netting against current contributions (contra to account 113 for book value of equities and debit or credit as appropriate to account 466 with concurrent entry to debit account 335, debit or credit account 468 and credit account 339 or 221 for applicable amounts).

(c) Amounts representing value of Income Fund units liquidated for purpose of transfer to Growth Fund which are disbursed for purchase of Mutual Fund shares (contra to account 102 with concurrent entry to switch

Credit this account with:

(a) Book value of Growth Fund equities liquidated for withdrawal or transfer to Income Fund (contra to account 113 for current cash value of equities (this debit will be to account 102 or account 165 if proceeds for liquidation are obtained by sale of mutual fund shares) and debit or credit as appropriate to account 466 for VIP gain or loss with concurrent entry to debit account 335, debit or credit account 468 and credit account 339 or 221 for applicable amounts.)

(b) Book value of Growth Fund equities liquidated by issuance of Mutual Fund shares (contra to account 335 for balance of member's contribution, account 466 for the difference between book value and cash value of the equities being liquidated and account 468 for the difference between the member's contribution and the cash value).

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Debit this account with:

Credit this account with:

cash from the Income Fund subsidiary to the Growth Fund subsidiary and to debit account 339 and credit account 335 for amounts of member's cost of units liquidated).

(d) Value of units received as dividend income or capital gains based on bid price used by Mutual Fund for issuing the distribution (contra to account 161).

114 - Investments - Income Fund

This account represents the principal on deposit with Connecticut General Life Insurance Company. The balance of this account should be reconciled to the amounts shown on statements received from Connecticut General after each purchase. The official record of units outstanding which will be used for computing current unit values for the purpose of issuing new units will be maintained in conjunction with Account 339.

Debit this account with:

- (a) Amounts deposited with Connecticut General under the investment contract (contra to account 102 or 103). These amounts represent payroll deductions, cash contributions and values of Growth Fund equities liquidated for transfer to the Income Fund less amounts retained to liquidate equities being withdrawn or transferred and amounts retained for accounts payable to the Agency for services rendered.
- (b) Amount of interest credited to the VIP account by Connecticut General (contra to account 151).

Credit this account with:

- (a) Amounts received from Connecticut General to provide funds required over and above current period contributions for withdrawal or transfer to Growth Fund (contra to account 102 or 165 with concurrent entry to debit account 339, credit account 335 or 221 and debit account 469 for applicable amounts).
- (b) Cash value of Income Fund equities liquidated by issuance of an annuity by Connecticut General (contra to account 339 for member's balance and credit to account 469 for the excess of the cash value over the member's contributions).

NOTE: In view of fact that principal and interest are "guaranteed" no provision is made for computing VIP gains on liquidations.

221 - Accounts Payable

This account represents amounts due but unpaid to members representing proceeds of units withdrawn or refunds of member contributions and to the Agency for services rendered.

Debit this account with:

- (a) Amounts paid to members for amounts due as reflected in this account (contra to account 102).
- (b) Amounts paid to the Agency for services rendered as reflected in this account (contra to account 102).

Credit this account with:

- (a) Amounts due put unpaid to members for proceeds of units withdrawn (contra to accounts 335 or 339 and 468 or 469; concurrent entries as necessary to adjust account 113 or 114 and 466).
- (b) Amounts due but unpaid to members for member contributions to be refunded in lieu of use for purchase of units (contra to accounts 335 or 339).
- (c) Amounts due but unpaid to the Agency for services rendered.

476 - Miscellaneous Income or Expense

This account represents miscellaneous income and expenses for which no other provision is made. Any fractional unit equivalent of member equities not paid to members following separation from VIP will be added to the next acquisition of units by the entity and distributed to the participants in such purchase. All write-offs of amounts due to members will be subject to the determination of the Board of Trustees.

Debit this account with:

- (a) Amount of expense for which no other provision is made.
- (b) Service charges assessed by bank (contra to account 102).
- (c) Costs of Agency administration of the Plan.
- (d) Amount of credit balance of this account transferred to account 351 at the end of the calendar year.

Credit this account with:

- (a) Value at unit price of unit equivalent of member equities not paid to members following separation from VIP (contra to account 468, 469 or other account as applicable).
- (b) Amount of income for which no other provision is made.
- (c) Amount of debit balance of this account transferred to account 351 at the end of the calendar year.